



Foreign Agricultural Service

GAIN Report

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Brazil

Grain and Feed

Update for July Lockup

2001

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Report Highlights:

Post raised the 2000/2001 corn production forecast to 38.5 million tons due to expectations of a strong second crop. Brazil's corn exports continue to boom, with roughly 2.5 million tons already exported to 30 nations. Post raised the 2000/2001 corn export forecast to 3 million tons, and raised the import forecast to 400,000 tons.

Includes PSD changes: Yes
Includes Trade Matrix: No
Unscheduled Report
Brasilia[BR1], BR

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Executive Summary

Post lowered the forecast for 2000/2001 wheat imports from the United States to 100,000 tons, as exports have been slower than previously expected.

Post revised the 2000/2001 corn production forecast to 38.5 million tons due to expectations of a strong second corn crop (safrinha). The 2000/2001 corn export and import forecasts were raised to 3 million tons and 400,000 tons, respectively. Corn ending stocks for 2000/2001 and 2001/2002 were lowered 300,000 tons due to stronger corn exports.

Wheat

Post lowered the forecast for 2000/2001 imports from the United States to 100,000 tons. The re-stoppage in trade due to the nematode issue prevented sales for several months, in a period when U.S. prices were most competitive with Argentina. After the issue was resolved, Brazilian flour millers needed some time to test U.S. soft wheat samples in their flour formulas. With more competitive prices, we expect U.S. exports to pick up in the new marketing year.

Wheat PS&D

PSD Table						
Country	Brazil					
Commodity	Wheat				(1000 HA)(1000 MT)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		10/1999		10/2000		10/2001
Area Harvested	1252	1252	1444	1444	1450	1500
Beginning Stocks	775	846	1150	932	745	54
Production	2403	2403	1595	1622	2200	2600
TOTAL Mkt. Yr. Imports	7555	7733	7900	7700	7500	7800
Jul-Jun Imports	7196	7227	7900	7700	7500	7700
Jul-Jun Import U.S.	79	150	0	100	0	600
TOTAL SUPPLY	10733	10982	10645	10254	10445	10454
TOTAL Mkt. Yr. Exports	4	0	0	0	0	0
Jul-Jun Exports	4	0	0	0	0	0
Feed Dom. Consumption	200	200	400	500	200	200
TOTAL Dom. Consumption	9579	10050	9900	10200	9800	10400
Ending Stocks	1150	932	745	54	645	54
TOTAL DISTRIBUTION	10733	10982	10645	10254	10445	10454

Corn

Post revised the 2000/2001 corn production forecast to 38.5 million tons due to expectations of a strong second corn crop (safrinha). This year's safrinha is being forecasted as high as 6 million tons, significantly higher than last year's frost-damaged crop.

Post raised the 2000/2001 corn export forecast to 3 million tons. Roughly 2.5 million tons of Brazilian corn have already been exported to roughly 30 nations. Spain has been the largest buyer, followed by Asian markets. Sales for 200,000 tons to Spain and Portugal have already been booked for the 2001/2002 corn crop, with a shipping date of March 2002.

The 2000/2001 import forecast was raised to 400,000 tons as the Northeast continues to import to meet its consumption needs. The cost of freight from corn growing regions in the center-west to the Northeast remains expensive compared to freight costs from Argentina.

Ending stocks for 2000/2001 and 2001/2002 were lowered 300,000 tons due to stronger than previously expected corn exports.

Corn PS&D

PSD Table						
Country	Brazil					
Commodity	Corn				(1000 HA)(1000 MT)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		04/2000		04/2001		04/2002
Area Harvested	12490	12490	14000	13570	13500	13550
Beginning Stocks	1000	1416	600	677	2650	341
Production	31641	31641	39500	38500	38000	38000
TOTAL Mkt. Yr. Imports	1500	2100	250	400	100	300
Oct-Sep Imports	1789	2000	600	400	200	300
Oct-Sep Import U.S.	43	79	0	50	0	0
TOTAL SUPPLY	34141	35157	40350	39577	40750	38641
TOTAL Mkt. Yr. Exports	350	0	1700	3000	1000	1200
Oct-Sep Exports	50	0	2000	3000	1000	1200
Feed Dom. Consumption	28000	29300	32000	32000	34000	32500
TOTAL Dom. Consumption	33191	34480	36000	36236	38000	36500
Ending Stocks	600	677	2650	341	1750	941
TOTAL DISTRIBUTION	34141	35157	40350	39577	40750	38641

Rice

There are no revisions to the rice PS&D.

Rice PS&D

PSD Table						
Country	Brazil					
Commodity	Rice, Milled				(1000 HA)(1000 MT)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		04/2000		04/2001		04/2002
Area Harvested	3678	3678	3338	3338	0	3340
Beginning Stocks	1205	1285	1589	1641	1390	1353
Milled Production	7768	7768	7336	7336	0	7350
Rough Production	11424	11424	10788	10788	0	10809
MILLING RATE (.9999)	6800	6800	6800	6800	0	6800
TOTAL Imports	600	602	490	490	0	500
Jan-Dec Imports	600	700	500	500	0	500
Jan-Dec Import U.S.	2	2	0	2	0	0
TOTAL SUPPLY	9573	9655	9415	9467	1390	9203
TOTAL Exports	25	58	25	156	0	100
Jan-Dec Exports	25	50	25	0	0	100
TOTAL Dom. Consumption	7959	7956	8000	7958	0	7960
Ending Stocks	1589	1641	1390	1353	0	1143
TOTAL DISTRIBUTION	9573	9655	9415	9467	0	9203